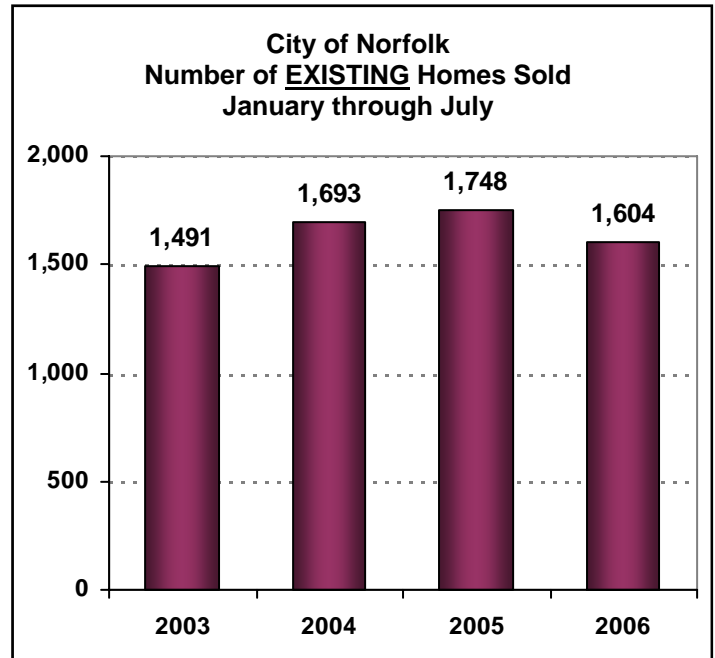


Norfolk Housing Market

Existing Home Sales

From January through July, the average sales price of all existing homes sold in Norfolk remains above the same period as in the past three years. The average sales price year-to-date through July rose to \$223,900, a 11.5 percent increase over the same period last year.

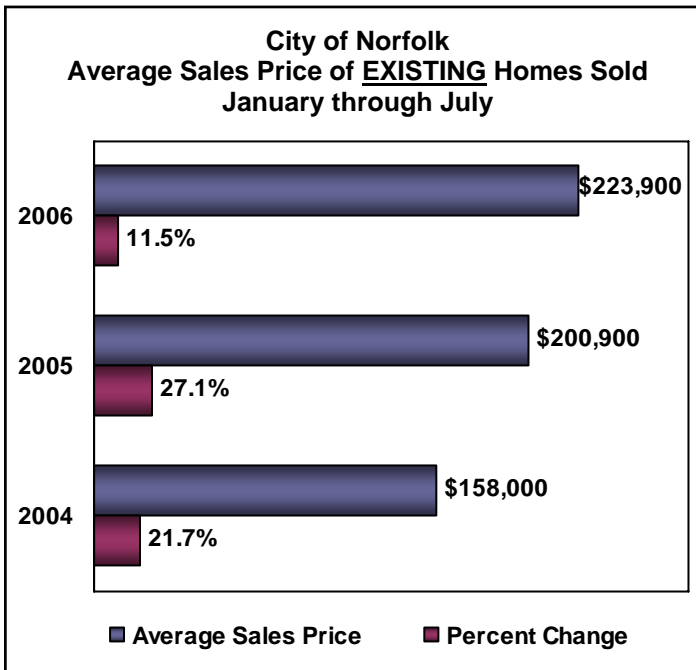
However, the growth in the average sales price has slowed for existing homes sold in Norfolk. Growth year-to-date of 11.5 percent is below that of the growth over the same period in the previous two years (2003 and 2004).



Source: Real Estate Information Network (REIN)

Homes are also staying longer on the market before being sold. The average time on market of existing detached and attached homes sold through July rose by 15 days to 47 days from last year's average days on market of 32 days.

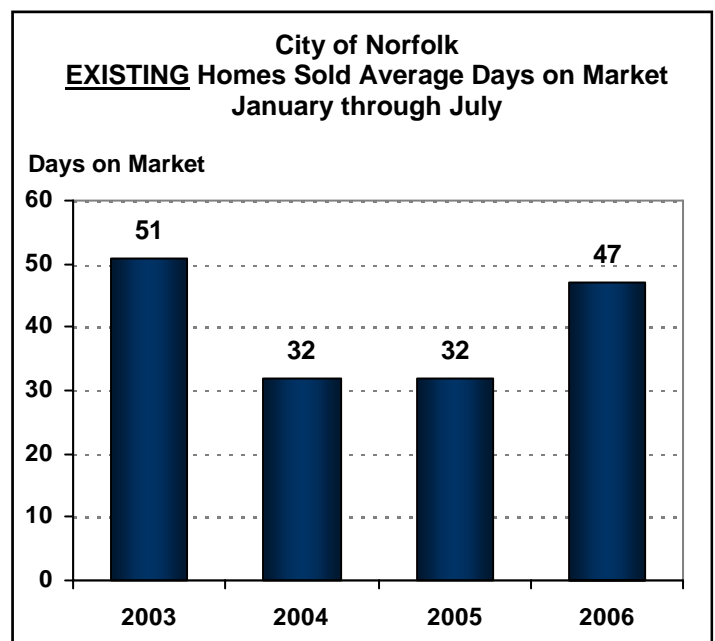
The average time on market of sales of existing detached homes rose by 16 days to 48 days, while average time on market of sales of existing attached homes rose by 15 days to 45 days.



Source: Real Estate Information Network (REIN)

While the average price of existing homes sold in Norfolk from January through July increased, the number of existing homes sold declined when compared over the same period last year. The number of homes sold fell to 1,604 from 1,748 year-to-date last year, a 8.2 percent decrease.

The decrease in sales was mainly due to detached homes, which fell 12.3 percent, from 1,485 last year to 1,303 this year. In contrast, sales of attached homes (condos and townhouses) rose 14.4 percent, to 301 units this year from 263 units over the same period last year.



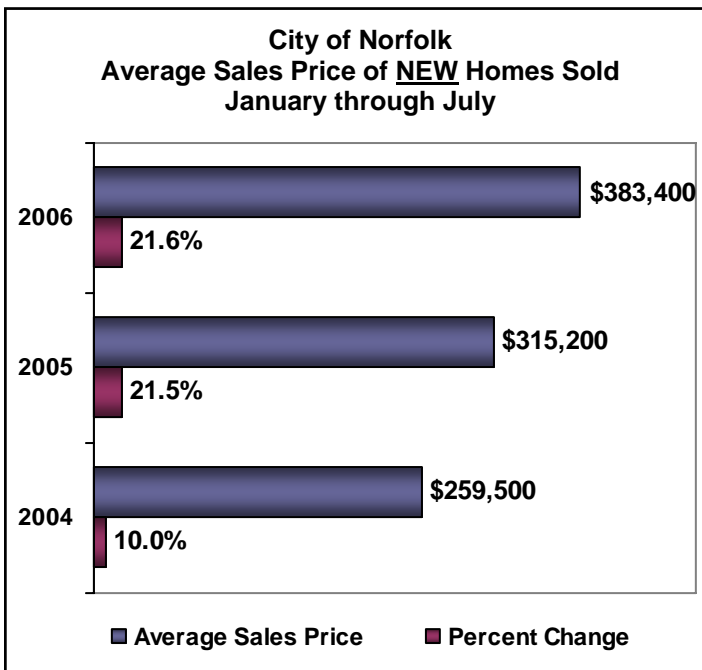
Source: Real Estate Information Network (REIN)

Norfolk Housing Market (continued)

New Home Sales

The average sales price of new homes sold in Norfolk from January through July rose to approximately \$383,400 or 21.6 percent over the same period last year. Unlike existing homes, the average sales price of new homes sold continued to rise in July.

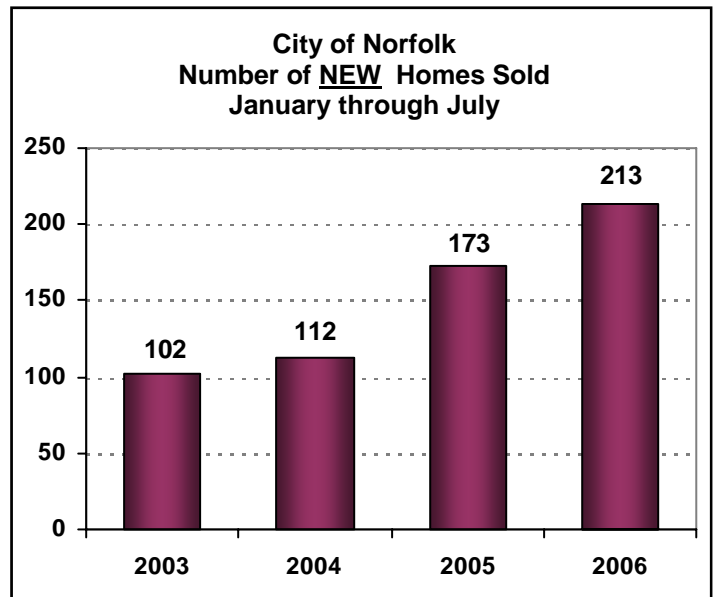
Year-to-date growth was driven by the average sales price of new detached homes, which rose 31.0 percent to \$410,500. The average sales price of attached homes (condos and townhouses) rose 10.4 percent to \$353,300.



Source: Real Estate Information Network (REIN)

From January through July, the number of new homes sold in Norfolk rose by 40 homes to 213 from 173 homes last year. However, the growth in sales of new homes appears to have slowed year-to-date. Last year, the number of new homes sold grew 54.5 percent (59 homes) compared to this year's growth of 23.1 percent (40 homes) during the January to July period.

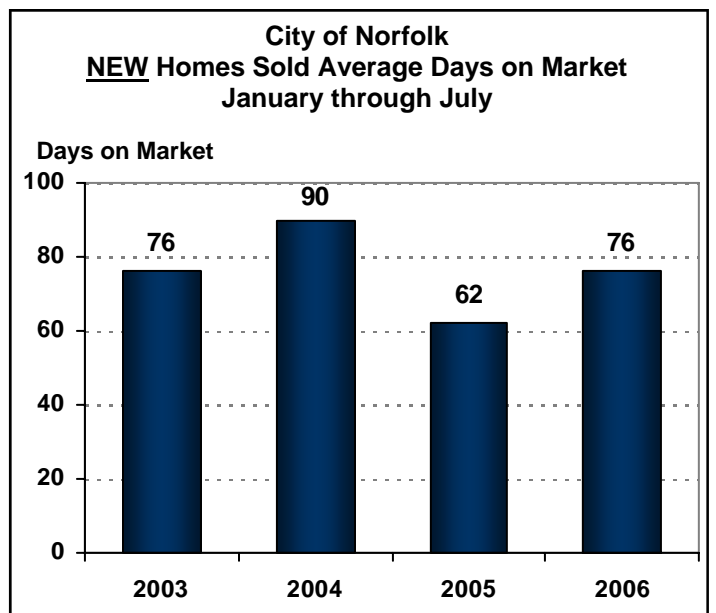
The growth in sales year-to-date through July was entirely due to sales of new attached homes, which rose by 51 homes. In contrast, sales of new detached homes, fell by eleven homes to 112 from 123 homes last year.



Source: Real Estate Information Network (REIN)













New homes are staying longer on the market before being sold. The average time on market of homes sold through July of this year rose by 14 days to 76 days from 62 days last year.

The increase was due to new detached homes' average days on market, which rose by 31 days to 90 days from 59 days last year. However, the average days on market of new attached homes decreased by 9 days to 61 days from 70 days last year.



Source: Real Estate Information Network (REIN)

Local Real Estate Market Conditions - July 2006

Market	Year	Units Sold	Average Sales Price	Average Market Time
Norfolk	July 2006	282	 \$261,513	52
	July 2005	298	 \$244,904	31
Hampton Roads	July 2006	2,511	 \$284,106	48
	July 2005	2,809	 \$269,978	28
Richmond	July 2006	1,598	 \$276,970	46
	July 2005	1,712	 \$256,370	32
Roanoke	July 2006	505	 \$211,004	61
	July 2005	568	 \$209,770	66
Northern Virginia	July 2006	1,856	 \$537,731	58
	July 2005	3,058	 \$559,790	15
Williamsburg Area	July 2006	211	 \$353,590	67
	July 2005	240	 \$357,510	47

Sources: Virginia Association of Realtors July Home Sales Data
Real Estate Information Network